

## NATIONAL MARKET REPORT

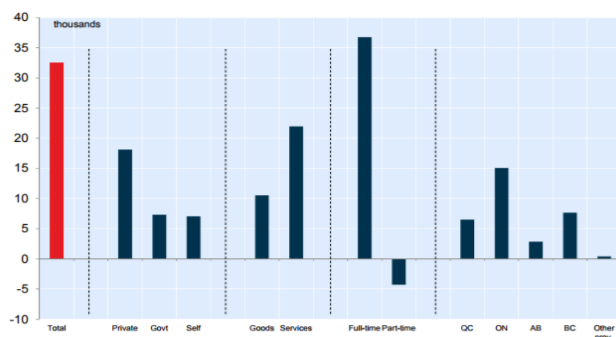
November 2017

- Hotel cap rates remain at record lows in Q3 2017.
- The national hotel cap rate for all classes was 8.06% in Q3 2017.
- Vancouver and Toronto saw further compression, with cap rates ranging between 5.00% and 6.25% for Full Service Hotels in Vancouver and Toronto.

### Q3 2017 – Q4 2017 CAP RATE TRENDS

#### Canada: Labour market still in excellent shape

Jobs created in the last 12 months according to Labour Force Survey, monthly average



Buoyed by stable market fundamentals, strong industry performance, and readily available debt; investment interest in the hotel sector was solid through the last quarter of 2017 and is expected to hold strong into next year. Capitalization Rates for this asset class continue to be driven by the strong Canadian economy and as we look forward to 2018 all indications are for continued economic advancement in 2018, which may lead to further compression.

Economic expansion is expected across the nation and apart from Newfoundland, all provinces are forecast to see positive real GDP growth in 2018 (including Alberta). The positive outlook for improved discretionary income and a solid labour market bode well for the hotel sector; and despite strong increases in overnight visits to the country in 2017, overnight travel to Canada is expected to increase again next year.

Overall, industry fundamentals are in good shape and supply growth for British Columbia, Ontario and Quebec and Atlantic Canada remains in balance with projected increases in demand that will readily absorb new hotel product over the next few years. While there continues to be new hotel properties being developed in Calgary and Edmonton – which may have short term impacts on top line performance – these markets are believed to have hit the trough and are positioned for recovery.

The quest for yield continues to attract global capital to the Canadian Hotel investment sector - even considering continued cap rate compression in markets like Vancouver, Toronto and Montreal. Relative to other real estate classes, hotels drive higher returns. Although hotels have shown strong growth in profitability since the last recession, a premium still applies to reflect the need for strong management and for the possibility of a market correction or change in performance. The chart below indicates the premium hotels command over other types of commercial real estate.

With the positive outlook for the industry, we expect international investment into Canada will continue to be quite active in the foreseeable future. The appetite for hotel investment has led to compression in cap rates across most major cities, with multiple buyers outstripping sellers in almost every market.

#### Real Estate Investment Parameters – 3rd Quarter 2017

Property Type	Overall Capitalization Rates
<b>Office – Class 'A'</b>	
Downtown	3.75% - 8.50%
Suburban	4.75% - 8.00%
<b>Retail</b>	
Regional	4.00% - 6.50%
Power Centre	5.00% - 7.00%
<b>Industrial</b>	
A	4.25% - 7.50%
B	4.75% - 8.50%
<b>Hotels</b>	
Downtown Full Service	5.00% - 9.00%
Suburban Limited Service	6.50% - 9.75%
Focused Service	6.50% - 9.50%

Source: CBRE Limited

## REPORT OF ROOMS OPERATIONS BY LOCATION MONTH OF NOVEMBER 2017\*

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2017	2016	**Point Change	2017	2016	Variance	2017	2016	Variance
<b>ATLANTIC CANADA</b>	<b>57.9%</b>	<b>56.6%</b>	<b>1.2</b>	<b>\$126.26</b>	<b>\$120.69</b>	<b>4.6%</b>	<b>\$73.05</b>	<b>\$68.33</b>	<b>6.9%</b>
<b>NEWFOUNDLAND</b>	<b>56.5%</b>	<b>60.7%</b>	<b>-4.2</b>	<b>\$136.62</b>	<b>\$135.63</b>	<b>0.7%</b>	<b>\$77.26</b>	<b>\$82.34</b>	<b>-6.2%</b>
St. John's	56.8%	59.7%	-3.0	\$138.71	\$139.14	-0.3%	\$78.72	\$83.13	-5.3%
<b>PRINCE EDWARD ISLAND</b>	<b>48.2%</b>	<b>44.3%</b>	<b>4.0</b>	<b>\$116.93</b>	<b>\$105.93</b>	<b>10.4%</b>	<b>\$56.40</b>	<b>\$46.90</b>	<b>20.2%</b>
<b>NOVA SCOTIA</b>	<b>62.4%</b>	<b>60.0%</b>	<b>2.4</b>	<b>\$131.38</b>	<b>\$123.76</b>	<b>6.2%</b>	<b>\$81.95</b>	<b>\$74.21</b>	<b>10.4%</b>
Halifax/Dartmouth	67.3%	61.8%	5.5	\$138.57	\$130.20	6.4%	\$93.19	\$80.40	15.9%
Other Nova Scotia	52.1%	56.2%	-4.1	\$111.85	\$108.75	2.8%	\$58.28	\$61.10	-4.6%
<b>NEW BRUNSWICK</b>	<b>55.9%</b>	<b>54.7%</b>	<b>1.2</b>	<b>\$116.46</b>	<b>\$112.49</b>	<b>3.5%</b>	<b>\$65.11</b>	<b>\$61.51</b>	<b>5.8%</b>
Moncton	66.3%	64.4%	1.8	\$120.32	\$118.71	1.4%	\$79.74	\$76.49	4.2%
Other New Brunswick	50.5%	49.7%	0.8	\$113.84	\$108.36	5.1%	\$57.52	\$53.86	6.8%
<b>CENTRAL CANADA</b>	<b>68.6%</b>	<b>65.6%</b>	<b>2.9</b>	<b>\$151.61</b>	<b>\$142.91</b>	<b>6.1%</b>	<b>\$103.95</b>	<b>\$93.80</b>	<b>10.8%</b>
<b>QUEBEC</b>	<b>66.0%</b>	<b>62.2%</b>	<b>3.7</b>	<b>\$153.94</b>	<b>\$145.37</b>	<b>5.9%</b>	<b>\$101.58</b>	<b>\$90.49</b>	<b>12.3%</b>
Greater Quebec City	<b>58.1%</b>	<b>54.2%</b>	<b>3.8</b>	<b>\$138.13</b>	<b>\$140.01</b>	<b>-1.3%</b>	<b>\$80.20</b>	<b>\$75.90</b>	<b>5.7%</b>
Other Quebec	53.0%	47.9%	5.1	\$135.32	\$123.29	9.8%	\$71.76	\$59.11	21.4%
Greater Montreal	<b>74.6%</b>	<b>71.5%</b>	<b>3.2</b>	<b>\$164.03</b>	<b>\$153.64</b>	<b>6.8%</b>	<b>\$122.43</b>	<b>\$109.82</b>	<b>11.5%</b>
Downtown Montreal	75.8%	74.9%	0.9	\$181.97	\$171.03	6.4%	\$138.00	\$128.12	7.7%
Montreal Airport/Laval	76.3%	68.7%	7.6	\$140.36	\$129.40	8.5%	\$107.14	\$88.93	20.5%
<b>ONTARIO</b>	<b>69.3%</b>	<b>66.6%</b>	<b>2.7</b>	<b>\$150.86</b>	<b>\$142.19</b>	<b>6.1%</b>	<b>\$104.59</b>	<b>\$94.68</b>	<b>10.5%</b>
Greater Toronto Area (GTA)	<b>77.8%</b>	<b>74.6%</b>	<b>3.3</b>	<b>\$170.91</b>	<b>\$160.34</b>	<b>6.6%</b>	<b>\$132.98</b>	<b>\$119.54</b>	<b>11.2%</b>
Downtown Toronto	82.0%	79.2%	2.8	\$225.31	\$212.79	5.9%	\$184.71	\$168.43	9.7%
Toronto Airport	77.5%	71.3%	6.2	\$150.27	\$131.94	13.9%	\$116.51	\$94.12	23.8%
GTA West	74.4%	71.2%	3.2	\$126.57	\$117.64	7.6%	\$94.17	\$83.78	12.4%
GTA East/North	74.6%	72.2%	2.4	\$132.25	\$123.75	6.9%	\$98.70	\$89.38	10.4%
Eastern Ontario	<b>57.9%</b>	<b>55.7%</b>	<b>2.2</b>	<b>\$118.71</b>	<b>\$113.59</b>	<b>4.5%</b>	<b>\$68.72</b>	<b>\$63.24</b>	<b>8.7%</b>
Kingston	62.9%	57.4%	5.5	\$121.18	\$118.39	2.4%	\$76.25	\$67.94	12.2%
Other Eastern Ontario	55.2%	54.7%	0.4	\$117.19	\$110.81	5.8%	\$64.64	\$60.64	6.6%
Ottawa	<b>80.3%</b>	<b>76.7%</b>	<b>3.6</b>	<b>\$179.00</b>	<b>\$163.61</b>	<b>9.4%</b>	<b>\$143.81</b>	<b>\$125.49</b>	<b>14.6%</b>
Downtown Ottawa	82.8%	79.8%	3.0	\$198.40	\$177.73	11.6%	\$164.36	\$141.89	15.8%
Ottawa West	78.8%	76.5%	2.2	\$152.41	\$146.15	4.3%	\$120.06	\$111.86	7.3%
Ottawa East	73.1%	64.8%	8.3	\$140.39	\$132.44	6.0%	\$102.60	\$85.85	19.5%
Southern Ontario	<b>60.4%</b>	<b>57.6%</b>	<b>2.8</b>	<b>\$118.11</b>	<b>\$115.81</b>	<b>2.0%</b>	<b>\$71.39</b>	<b>\$66.72</b>	<b>7.0%</b>
London	64.4%	65.0%	-0.6	\$112.54	\$109.83	2.5%	\$72.45	\$71.36	1.5%
Windsor	64.6%	64.5%	0.1	\$120.63	\$111.52	8.2%	\$77.94	\$71.96	8.3%
Kitchener/Waterloo/Cambridge/Guelph	69.0%	64.7%	4.3	\$118.99	\$116.55	2.1%	\$82.16	\$75.45	8.9%
Hamilton/Brantford	73.5%	67.9%	5.6	\$126.00	\$112.43	12.1%	\$92.62	\$76.39	21.3%
Niagara Falls	55.6%	53.0%	2.7	\$120.86	\$122.76	-1.5%	\$67.24	\$65.02	3.4%
Other Niagara Region	49.9%	46.9%	3.0	\$113.37	\$107.72	5.2%	\$56.53	\$50.50	11.9%
Other Southern Ontario	55.1%	46.9%	8.1	\$108.44	\$108.86	-0.4%	\$59.71	\$51.10	16.8%
Central Ontario	<b>53.4%</b>	<b>49.5%</b>	<b>3.9</b>	<b>\$122.40</b>	<b>\$116.35</b>	<b>5.2%</b>	<b>\$65.34</b>	<b>\$57.60</b>	<b>13.4%</b>
North Eastern Ontario	<b>61.2%</b>	<b>64.2%</b>	<b>-3.0</b>	<b>\$118.00</b>	<b>\$113.05</b>	<b>4.4%</b>	<b>\$72.25</b>	<b>\$72.63</b>	<b>-0.5%</b>
North Bay	56.2%	65.8%	-9.6	\$114.18	\$110.26	3.6%	\$64.18	\$72.59	-11.6%
Sudbury	67.2%	73.9%	-6.8	\$119.28	\$115.64	3.1%	\$80.09	\$85.47	-6.3%
North Central Ontario									
Sault Ste. Marie	51.5%	58.1%	-6.6	\$102.25	\$101.56	0.7%	\$52.65	\$58.98	-10.7%
North Western Ontario	<b>64.6%</b>	<b>64.8%</b>	<b>-0.2</b>	<b>\$114.62</b>	<b>\$111.19</b>	<b>3.1%</b>	<b>\$74.07</b>	<b>\$72.07</b>	<b>2.8%</b>
Thunder Bay	<b>68.9%</b>	<b>66.9%</b>	<b>2.1</b>	<b>\$114.50</b>	<b>\$111.42</b>	<b>2.8%</b>	<b>\$78.95</b>	<b>\$74.50</b>	<b>6.0%</b>

\* Based on the operating results of 245,253 rooms (unweighted data)

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

Source: CBRE Hotels' Trends in the Hotel Industry National Market with reproduction and use of information subject to CBRE Limited Disclaimer|Terms of Use as detailed at <http://www.cbre.ca/EN/services/valuationservices/hotels/Pages/hotels-vas-disclaimer.aspx>

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Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2017	2016	**Point Change	2017	2016	Variance	2017	2016	Variance
<b>WESTERN CANADA</b>	<b>56.9%</b>	<b>54.9%</b>	<b>2.0</b>	<b>\$134.75</b>	<b>\$132.96</b>	<b>1.3%</b>	<b>\$76.72</b>	<b>\$73.03</b>	<b>5.0%</b>
<b>MANITOBA</b>	<b>67.5%</b>	<b>66.6%</b>	<b>0.9</b>	<b>\$123.41</b>	<b>\$120.37</b>	<b>2.5%</b>	<b>\$83.25</b>	<b>\$80.16</b>	<b>3.9%</b>
Winnipeg	70.0%	71.3%	-1.2	\$126.29	\$123.90	1.9%	\$88.45	\$88.29	0.2%
Brandon	62.4%	55.5%	7.0	\$113.83	\$105.90	7.5%	\$71.08	\$58.75	21.0%
Other Manitoba	58.5%	54.7%	3.8	\$114.78	\$112.48	2.0%	\$67.16	\$61.55	9.1%
<b>SASKATCHEWAN</b>	<b>57.3%</b>	<b>56.0%</b>	<b>1.3</b>	<b>\$120.25</b>	<b>\$126.88</b>	<b>-5.2%</b>	<b>\$68.88</b>	<b>\$71.07</b>	<b>-3.1%</b>
Regina	62.0%	64.3%	-2.3	\$126.96	\$133.53	-4.9%	\$78.69	\$85.88	-8.4%
Saskatoon	61.8%	60.2%	1.6	\$124.65	\$133.87	-6.9%	\$77.04	\$80.58	-4.4%
Other Saskatchewan	50.1%	46.3%	3.8	\$109.68	\$112.12	-2.2%	\$54.92	\$51.92	5.8%
<b>ALBERTA (excl. Alta Resorts)</b>	<b>54.1%</b>	<b>51.3%</b>	<b>2.8</b>	<b>\$130.08</b>	<b>\$131.82</b>	<b>-1.3%</b>	<b>\$70.34</b>	<b>\$67.56</b>	<b>4.1%</b>
<b>Calgary</b>	<b>56.8%</b>	<b>53.5%</b>	<b>3.3</b>	<b>\$142.24</b>	<b>\$145.53</b>	<b>-2.3%</b>	<b>\$80.73</b>	<b>\$77.85</b>	<b>3.7%</b>
Calgary Airport	53.6%	49.5%	4.0	\$115.59	\$119.86	-3.6%	\$61.93	\$59.36	4.3%
Downtown Calgary	61.7%	62.0%	-0.4	\$187.44	\$196.00	-4.4%	\$115.57	\$121.55	-4.9%
Calgary Northwest	63.0%	58.9%	4.1	\$115.22	\$107.55	7.1%	\$72.62	\$63.39	14.6%
Calgary South	51.3%	45.1%	6.2	\$123.79	\$121.78	1.6%	\$63.53	\$54.92	15.7%
<b>Edmonton</b>	<b>60.2%</b>	<b>60.3%</b>	<b>-0.1</b>	<b>\$133.41</b>	<b>\$134.25</b>	<b>-0.6%</b>	<b>\$80.26</b>	<b>\$80.92</b>	<b>-0.8%</b>
Downtown Edmonton	70.5%	69.4%	1.0	\$161.60	\$158.62	1.9%	\$113.85	\$110.09	3.4%
Edmonton South	57.3%	58.0%	-0.7	\$114.71	\$117.86	-2.7%	\$65.75	\$68.37	-3.8%
Edmonton West	56.1%	55.7%	0.4	\$128.04	\$127.19	0.7%	\$71.80	\$70.84	1.4%
<b>Other Alberta</b>	<b>48.4%</b>	<b>43.9%</b>	<b>4.5</b>	<b>\$117.82</b>	<b>\$118.15</b>	<b>-0.3%</b>	<b>\$57.08</b>	<b>\$51.88</b>	<b>10.0%</b>
Lethbridge	50.9%	49.2%	1.7	\$112.07	\$108.43	3.4%	\$56.99	\$53.34	6.8%
Red Deer	47.2%	46.4%	0.8	\$114.93	\$114.74	0.2%	\$54.23	\$53.20	1.9%
Other Alberta Communities	47.8%	41.7%	6.1	\$119.27	\$120.41	-0.9%	\$57.03	\$50.25	13.5%
<b>Alberta Resorts</b>	<b>42.3%</b>	<b>41.6%</b>	<b>0.7</b>	<b>\$181.00</b>	<b>\$181.61</b>	<b>-0.3%</b>	<b>\$76.56</b>	<b>\$75.57</b>	<b>1.3%</b>
<b>BRITISH COLUMBIA</b>	<b>59.3%</b>	<b>57.6%</b>	<b>1.7</b>	<b>\$141.04</b>	<b>\$133.87</b>	<b>5.4%</b>	<b>\$83.66</b>	<b>\$77.17</b>	<b>8.4%</b>
<b>Greater Vancouver</b>	<b>71.1%</b>	<b>71.9%</b>	<b>-0.9</b>	<b>\$156.81</b>	<b>\$147.19</b>	<b>6.5%</b>	<b>\$111.43</b>	<b>\$105.89</b>	<b>5.2%</b>
Airport (Richmond)	78.2%	74.0%	4.2	\$139.09	\$128.74	8.0%	\$108.75	\$95.27	14.2%
Downtown Vancouver	69.0%	72.7%	-3.7	\$180.27	\$167.81	7.4%	\$124.30	\$121.99	1.9%
Langley/Surrey	66.0%	62.9%	3.1	\$116.52	\$106.04	9.9%	\$76.85	\$66.68	15.2%
Other Vancouver	71.2%	72.0%	-0.8	\$130.99	\$127.28	2.9%	\$93.30	\$91.69	1.8%
<b>Vancouver Island</b>	<b>59.8%</b>	<b>56.2%</b>	<b>3.6</b>	<b>\$126.61</b>	<b>\$118.58</b>	<b>6.8%</b>	<b>\$75.77</b>	<b>\$66.65</b>	<b>13.7%</b>
Campbell River	69.8%	63.1%	6.7	\$105.00	\$97.86	7.3%	\$73.30	\$61.74	18.7%
Greater Victoria	61.7%	56.8%	4.9	\$125.25	\$116.68	7.3%	\$77.24	\$66.29	16.5%
Nanaimo	65.0%	62.4%	2.6	\$121.04	\$120.94	0.1%	\$78.63	\$75.43	4.2%
Parksville/Qualicum Beach	49.8%	46.4%	3.5	\$121.21	\$108.17	12.1%	\$60.42	\$50.18	20.4%
Other Vancouver Island	52.7%	53.2%	-0.4	\$148.04	\$137.44	7.7%	\$78.09	\$73.11	6.8%
<b>Whistler Resort Area</b>	<b>37.4%</b>	<b>36.4%</b>	<b>0.9</b>	<b>\$194.39</b>	<b>\$178.71</b>	<b>8.8%</b>	<b>\$72.64</b>	<b>\$65.09</b>	<b>11.6%</b>
<b>Other British Columbia</b>	<b>48.1%</b>	<b>43.7%</b>	<b>4.4</b>	<b>\$113.04</b>	<b>\$108.83</b>	<b>3.9%</b>	<b>\$54.35</b>	<b>\$47.56</b>	<b>14.3%</b>
Abbotsford/Chilliwack	57.9%	49.8%	8.0	\$97.96	\$100.04	-2.1%	\$56.69	\$49.85	13.7%
Kamloops	46.3%	44.4%	1.9	\$100.34	\$96.17	4.3%	\$46.49	\$42.71	8.8%
Kelowna	51.4%	48.8%	2.6	\$114.07	\$112.70	1.2%	\$58.59	\$54.97	6.6%
Penticton	34.8%	34.7%	0.1	\$98.54	\$93.06	5.9%	\$34.34	\$32.33	6.2%
Prince George	61.0%	62.3%	-1.3	\$120.68	\$122.16	-1.2%	\$73.59	\$76.08	-3.3%
Other B.C. Communities	46.0%	40.0%	6.0	\$117.59	\$111.06	5.9%	\$54.07	\$44.43	21.7%
<b>NORTHWEST TERRITORIES</b>	<b>76.0%</b>	<b>64.1%</b>	<b>11.9</b>	<b>\$130.53</b>	<b>\$145.67</b>	<b>-10.4%</b>	<b>\$99.17</b>	<b>\$93.36</b>	<b>6.2%</b>
<b>YUKON</b>	<b>61.9%</b>	<b>58.1%</b>	<b>3.8</b>	<b>\$123.52</b>	<b>\$118.59</b>	<b>4.2%</b>	<b>\$76.50</b>	<b>\$68.89</b>	<b>11.1%</b>
<b>CANADA</b>	<b>62.4%</b>	<b>60.0%</b>	<b>2.4</b>	<b>\$142.82</b>	<b>\$137.15</b>	<b>4.1%</b>	<b>\$89.13</b>	<b>\$82.23</b>	<b>8.4%</b>

\* Based on the operating results of 245,253 rooms (unweighted data)

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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NATIONAL MARKET REPORT • A MONTHLY PROFESSIONAL PUBLICATION

### REPORT OF ROOMS OPERATIONS BY LOCATION ELEVEN MONTHS ENDED NOVEMBER 2017

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2017	2016	**Point Change	2017	2016	Variance	2017	2016	Variance
<b>ATLANTIC CANADA</b>	<b>65.5%</b>	<b>63.1%</b>	<b>2.4</b>	<b>\$136.24</b>	<b>\$129.48</b>	<b>5.2%</b>	<b>\$89.23</b>	<b>\$81.67</b>	<b>9.3%</b>
<b>NEWFOUNDLAND</b>	<b>65.0%</b>	<b>63.9%</b>	<b>1.2</b>	<b>\$145.81</b>	<b>\$147.39</b>	<b>-1.1%</b>	<b>\$94.83</b>	<b>\$94.16</b>	<b>0.7%</b>
St. John's	65.2%	63.6%	1.5	\$149.47	\$152.54	-2.0%	\$97.40	\$97.05	0.4%
<b>PRINCE EDWARD ISLAND</b>	<b>59.9%</b>	<b>58.9%</b>	<b>1.0</b>	<b>\$146.38</b>	<b>\$136.94</b>	<b>6.9%</b>	<b>\$87.64</b>	<b>\$80.69</b>	<b>8.6%</b>
<b>NOVA SCOTIA</b>	<b>69.4%</b>	<b>66.5%</b>	<b>2.9</b>	<b>\$142.33</b>	<b>\$131.61</b>	<b>8.1%</b>	<b>\$98.77</b>	<b>\$87.51</b>	<b>12.9%</b>
Halifax/Dartmouth	74.3%	70.2%	4.1	\$150.66	\$136.88	10.1%	\$111.91	\$96.06	16.5%
Other Nova Scotia	59.9%	58.9%	1.0	\$122.25	\$118.57	3.1%	\$73.23	\$69.79	4.9%
<b>NEW BRUNSWICK</b>	<b>62.6%</b>	<b>60.1%</b>	<b>2.6</b>	<b>\$122.00</b>	<b>\$116.95</b>	<b>4.3%</b>	<b>\$76.43</b>	<b>\$70.26</b>	<b>8.8%</b>
Moncton	67.8%	65.3%	2.5	\$125.27	\$121.31	3.3%	\$84.97	\$79.28	7.2%
Other New Brunswick	60.0%	57.4%	2.6	\$120.11	\$114.45	4.9%	\$72.04	\$65.71	9.6%
<b>CENTRAL CANADA</b>	<b>71.0%</b>	<b>69.2%</b>	<b>1.8</b>	<b>\$158.70</b>	<b>\$149.24</b>	<b>6.3%</b>	<b>\$112.67</b>	<b>\$103.27</b>	<b>9.1%</b>
<b>QUEBEC</b>	<b>71.8%</b>	<b>69.2%</b>	<b>2.5</b>	<b>\$168.34</b>	<b>\$158.70</b>	<b>6.1%</b>	<b>\$120.83</b>	<b>\$109.90</b>	<b>9.9%</b>
Greater Quebec City	68.9%	67.3%	1.6	\$168.78	\$164.35	2.7%	\$116.37	\$110.62	5.2%
Other Quebec	63.4%	60.1%	3.3	\$148.35	\$141.86	4.6%	\$94.05	\$85.31	10.2%
Greater Montreal	76.8%	74.1%	2.7	\$176.43	\$163.76	7.7%	\$135.50	\$121.43	11.6%
Downtown Montreal	76.8%	75.8%	1.0	\$205.44	\$190.18	8.0%	\$157.84	\$144.15	9.5%
Montreal Airport/Laval	79.4%	74.5%	4.9	\$139.63	\$125.39	11.4%	\$110.85	\$93.37	18.7%
<b>ONTARIO</b>	<b>70.7%</b>	<b>69.1%</b>	<b>1.6</b>	<b>\$155.65</b>	<b>\$146.33</b>	<b>6.4%</b>	<b>\$110.08</b>	<b>\$101.18</b>	<b>8.8%</b>
Greater Toronto Area (GTA)	77.0%	75.8%	1.1	\$173.54	\$160.74	8.0%	\$133.58	\$121.90	9.6%
Downtown Toronto	78.3%	78.2%	0.1	\$238.63	\$220.37	8.3%	\$186.91	\$172.36	8.4%
Toronto Airport	78.7%	78.2%	0.6	\$142.15	\$126.90	12.0%	\$111.94	\$99.18	12.9%
GTA West	76.2%	74.3%	1.9	\$125.24	\$117.67	6.4%	\$95.42	\$87.42	9.2%
GTA East/North	74.5%	72.1%	2.4	\$131.84	\$122.74	7.4%	\$98.19	\$88.46	11.0%
Eastern Ontario	61.8%	60.3%	1.5	\$124.16	\$119.09	4.3%	\$76.71	\$71.82	6.8%
Kingston	64.6%	62.9%	1.7	\$131.58	\$125.12	5.2%	\$84.94	\$78.68	8.0%
Other Eastern Ontario	60.3%	58.9%	1.4	\$119.81	\$115.59	3.7%	\$72.20	\$68.08	6.1%
Ottawa	76.2%	74.3%	1.9	\$172.56	\$156.87	10.0%	\$131.43	\$116.50	12.8%
Downtown Ottawa	78.2%	78.4%	-0.2	\$191.60	\$169.96	12.7%	\$149.88	\$133.24	12.5%
Ottawa West	75.9%	73.3%	2.6	\$149.63	\$142.20	5.2%	\$113.56	\$104.28	8.9%
Ottawa East	69.2%	61.4%	7.8	\$135.33	\$126.24	7.2%	\$93.65	\$77.52	20.8%
Southern Ontario	65.8%	64.0%	1.8	\$135.97	\$132.47	2.6%	\$89.49	\$84.81	5.5%
London	65.6%	62.6%	3.0	\$110.97	\$107.12	3.6%	\$72.76	\$67.05	8.5%
Windsor	63.0%	61.8%	1.2	\$116.86	\$111.29	5.0%	\$73.61	\$68.80	7.0%
Kitchener/Waterloo/Cambridge/Guelph	64.5%	64.3%	0.2	\$118.80	\$115.03	3.3%	\$76.57	\$73.95	3.5%
Hamilton/Brantford	71.0%	67.3%	3.7	\$123.03	\$114.52	7.4%	\$87.36	\$77.10	13.3%
Niagara Falls	69.7%	68.7%	1.1	\$162.50	\$161.19	0.8%	\$113.33	\$110.70	2.4%
Other Niagara Region	59.0%	57.8%	1.2	\$122.56	\$118.92	3.1%	\$72.28	\$68.71	5.2%
Other Southern Ontario	55.4%	50.9%	4.5	\$114.78	\$112.48	2.0%	\$63.62	\$57.25	11.1%
Central Ontario	59.7%	57.5%	2.3	\$141.72	\$139.28	1.8%	\$84.66	\$80.04	5.8%
North Eastern Ontario	59.1%	58.0%	1.0	\$113.53	\$112.90	0.6%	\$67.04	\$65.50	2.4%
North Bay	58.2%	57.4%	0.8	\$105.41	\$109.75	-4.0%	\$61.33	\$62.96	-2.6%
Sudbury	60.8%	62.8%	-2.1	\$114.92	\$114.11	0.7%	\$69.83	\$71.68	-2.6%
North Central Ontario									
Sault Ste. Marie	59.1%	57.7%	1.4	\$110.98	\$106.54	4.2%	\$65.56	\$61.48	6.6%
North Western Ontario	71.5%	68.7%	2.8	\$118.32	\$113.99	3.8%	\$84.59	\$78.32	8.0%
Thunder Bay	74.6%	71.1%	3.6	\$117.00	\$113.11	3.4%	\$87.31	\$80.37	8.6%

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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NATIONAL MARKET REPORT • A MONTHLY PROFESSIONAL PUBLICATION

## REPORT OF ROOMS OPERATIONS BY LOCATION ELEVEN MONTHS ENDED NOVEMBER 2017

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2017	2016	**Point Change	2017	2016	Variance	2017	2016	Variance
<b>WESTERN CANADA</b>	<b>63.2%</b>	<b>61.5%</b>	<b>1.7</b>	<b>\$155.14</b>	<b>\$150.22</b>	<b>3.3%</b>	<b>\$98.10</b>	<b>\$92.38</b>	<b>6.2%</b>
<b>MANITOBA</b>	<b>69.9%</b>	<b>64.2%</b>	<b>5.7</b>	<b>\$123.74</b>	<b>\$121.55</b>	<b>1.8%</b>	<b>\$86.51</b>	<b>\$78.08</b>	<b>10.8%</b>
Winnipeg	72.4%	66.9%	5.5	\$126.52	\$124.72	1.4%	\$91.59	\$83.41	9.8%
Brandon	64.8%	55.9%	8.9	\$112.43	\$108.65	3.5%	\$72.86	\$60.70	20.0%
Other Manitoba	62.1%	59.2%	2.9	\$117.99	\$115.38	2.3%	\$73.26	\$68.25	7.3%
<b>SASKATCHEWAN</b>	<b>55.1%</b>	<b>54.8%</b>	<b>0.3</b>	<b>\$119.76</b>	<b>\$125.71</b>	<b>-4.7%</b>	<b>\$66.03</b>	<b>\$68.91</b>	<b>-4.2%</b>
Regina	57.1%	60.4%	-3.3	\$121.79	\$128.51	-5.2%	\$69.58	\$77.66	-10.4%
Saskatoon	61.4%	61.1%	0.2	\$125.95	\$133.56	-5.7%	\$77.27	\$81.66	-5.4%
Other Saskatchewan	48.4%	45.5%	3.0	\$111.41	\$114.10	-2.4%	\$53.97	\$51.87	4.0%
<b>ALBERTA (excl. Alta Resorts)</b>	<b>54.9%</b>	<b>53.4%</b>	<b>1.4</b>	<b>\$130.60</b>	<b>\$131.75</b>	<b>-0.9%</b>	<b>\$71.63</b>	<b>\$70.42</b>	<b>1.7%</b>
<b>Calgary</b>	<b>60.6%</b>	<b>60.3%</b>	<b>0.3</b>	<b>\$144.66</b>	<b>\$146.43</b>	<b>-1.2%</b>	<b>\$87.61</b>	<b>\$88.24</b>	<b>-0.7%</b>
Calgary Airport	60.0%	60.7%	-0.7	\$119.83	\$122.78	-2.4%	\$71.95	\$74.55	-3.5%
Calgary Downtown	63.2%	64.1%	-0.9	\$191.88	\$192.55	-0.3%	\$121.20	\$123.39	-1.8%
Calgary Northwest	65.6%	61.7%	3.8	\$113.90	\$116.42	-2.2%	\$74.67	\$71.88	3.9%
Calgary South	54.5%	52.6%	1.9	\$127.83	\$129.61	-1.4%	\$69.64	\$68.20	2.1%
<b>Edmonton</b>	<b>58.2%</b>	<b>60.6%</b>	<b>-2.5</b>	<b>\$130.38</b>	<b>\$129.69</b>	<b>0.5%</b>	<b>\$75.82</b>	<b>\$78.62</b>	<b>-3.6%</b>
Downtown Edmonton	64.4%	65.9%	-1.6	\$154.90	\$145.36	6.6%	\$99.70	\$95.81	4.1%
Edmonton South	57.0%	58.4%	-1.5	\$114.54	\$117.49	-2.5%	\$65.25	\$68.65	-4.9%
Edmonton West	54.6%	59.5%	-4.9	\$123.99	\$124.75	-0.6%	\$67.70	\$74.22	-8.8%
<b>Other Alberta</b>	<b>48.7%</b>	<b>44.5%</b>	<b>4.3</b>	<b>\$118.54</b>	<b>\$120.29</b>	<b>-1.5%</b>	<b>\$57.77</b>	<b>\$53.47</b>	<b>8.0%</b>
Lethbridge	52.5%	52.0%	0.6	\$110.42	\$109.67	0.7%	\$58.03	\$56.98	1.8%
Red Deer	43.0%	42.4%	0.7	\$106.42	\$109.80	-3.1%	\$45.81	\$46.51	-1.5%
Other Alberta Communities	48.7%	43.0%	5.7	\$121.79	\$124.31	-2.0%	\$59.35	\$53.50	10.9%
<b>Alberta Resorts</b>	<b>68.3%</b>	<b>66.2%</b>	<b>2.2</b>	<b>\$273.68</b>	<b>\$249.56</b>	<b>9.7%</b>	<b>\$186.96</b>	<b>\$165.09</b>	<b>13.2%</b>
<b>BRITISH COLUMBIA</b>	<b>71.6%</b>	<b>69.5%</b>	<b>2.1</b>	<b>\$172.54</b>	<b>\$161.95</b>	<b>6.5%</b>	<b>\$123.55</b>	<b>\$112.56</b>	<b>9.8%</b>
<b>Greater Vancouver</b>	<b>80.6%</b>	<b>80.0%</b>	<b>0.6</b>	<b>\$192.30</b>	<b>\$176.58</b>	<b>8.9%</b>	<b>\$155.05</b>	<b>\$141.27</b>	<b>9.8%</b>
Airport (Richmond)	84.2%	82.0%	2.2	\$157.53	\$142.61	10.5%	\$132.67	\$117.00	13.4%
Downtown Vancouver	80.2%	80.8%	-0.6	\$230.24	\$211.79	8.7%	\$184.67	\$171.19	7.9%
Langley/Surrey	74.0%	71.5%	2.5	\$128.03	\$115.30	11.0%	\$94.81	\$82.50	14.9%
Other Vancouver	81.0%	79.6%	1.4	\$154.81	\$142.59	8.6%	\$125.39	\$113.54	10.4%
<b>Vancouver Island</b>	<b>70.0%</b>	<b>68.2%</b>	<b>1.8</b>	<b>\$159.76</b>	<b>\$151.39</b>	<b>5.5%</b>	<b>\$111.88</b>	<b>\$103.26</b>	<b>8.4%</b>
Campbell River	75.0%	67.5%	7.4	\$116.94	\$107.30	9.0%	\$87.66	\$72.47	21.0%
Greater Victoria	72.0%	70.5%	1.4	\$165.19	\$153.61	7.5%	\$118.88	\$108.34	9.7%
Nanaimo	70.3%	69.7%	0.6	\$130.60	\$124.99	4.5%	\$91.81	\$87.16	5.3%
Parksville/Qualicum Beach	62.9%	61.5%	1.4	\$155.67	\$146.70	6.1%	\$97.90	\$90.21	8.5%
Other Vancouver Island	64.8%	62.4%	2.4	\$174.59	\$177.12	-1.4%	\$113.18	\$110.54	2.4%
<b>Whistler Resort Area</b>	<b>67.3%</b>	<b>65.4%</b>	<b>2.0</b>	<b>\$274.32</b>	<b>\$251.03</b>	<b>9.3%</b>	<b>\$184.74</b>	<b>\$164.11</b>	<b>12.6%</b>
<b>Other British Columbia</b>	<b>61.9%</b>	<b>57.6%</b>	<b>4.3</b>	<b>\$130.31</b>	<b>\$126.38</b>	<b>3.1%</b>	<b>\$80.66</b>	<b>\$72.80</b>	<b>10.8%</b>
Abbotsford/Chilliwack	65.9%	60.8%	5.1	\$109.92	\$105.12	4.6%	\$72.42	\$63.90	13.3%
Kamloops	62.0%	58.7%	3.3	\$111.98	\$108.54	3.2%	\$69.44	\$63.74	8.9%
Kelowna	66.0%	66.5%	-0.6	\$150.03	\$144.20	4.0%	\$99.00	\$95.95	3.2%
Penticton	57.8%	58.2%	-0.5	\$141.08	\$135.99	3.7%	\$81.49	\$79.17	2.9%
Prince George	69.0%	65.6%	3.4	\$121.64	\$122.07	-0.4%	\$83.96	\$80.07	4.9%
Other B.C. Communities	59.8%	53.6%	6.2	\$131.87	\$127.75	3.2%	\$78.85	\$68.46	15.2%
<b>NORTHWEST TERRITORIES</b>	<b>71.8%</b>	<b>69.2%</b>	<b>2.6</b>	<b>\$141.94</b>	<b>\$150.99</b>	<b>-6.0%</b>	<b>\$101.96</b>	<b>\$104.54</b>	<b>-2.5%</b>
<b>YUKON</b>	<b>69.7%</b>	<b>69.2%</b>	<b>0.5</b>	<b>\$133.93</b>	<b>\$125.15</b>	<b>7.0%</b>	<b>\$93.40</b>	<b>\$86.67</b>	<b>7.8%</b>
<b>CANADA</b>	<b>67.0%</b>	<b>65.2%</b>	<b>1.8</b>	<b>\$155.65</b>	<b>\$148.35</b>	<b>4.9%</b>	<b>\$104.29</b>	<b>\$96.66</b>	<b>7.9%</b>

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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## REGIONAL REPORT OF ROOMS OPERATIONS BY PROPERTY SIZE, PROPERTY TYPE AND PRICE LEVEL MONTH OF NOVEMBER 2017\*

### ATLANTIC

	Occupancy Percentage			Average Daily Rate		
	2017	2016	**Point Change	2017	2016	Variance
<b>Property Size</b>						
Under 50 rooms	42.6%	45.8%	-3.2	\$112.95	\$106.63	5.9%
50-75 rooms	51.3%	52.2%	-0.9	\$103.28	\$96.75	6.7%
76-125 rooms	58.9%	56.9%	2.0	\$119.23	\$114.89	3.8%
126-200 rooms	61.0%	58.6%	2.4	\$128.93	\$125.84	2.5%
201-500 rooms	58.8%	58.3%	0.6	\$149.60	\$140.21	6.7%
Over 500 rooms	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>57.9%</b>	<b>56.6%</b>	<b>1.2</b>	<b>\$126.26</b>	<b>\$120.69</b>	<b>4.6%</b>
<b>Property Type</b>						
Limited Service	58.8%	56.7%	2.1	\$116.10	\$111.69	3.9%
Full Service	56.5%	56.8%	-0.3	\$133.23	\$126.67	5.2%
Suite Hotel	73.4%	70.0%	3.4	\$139.53	\$132.06	5.7%
Resort	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>57.9%</b>	<b>56.6%</b>	<b>1.2</b>	<b>\$126.26</b>	<b>\$120.69</b>	<b>4.6%</b>
<b>Price Level</b>						
Budget	44.4%	46.5%	-2.1	\$99.12	\$91.93	7.8%
Mid-Price	61.4%	59.2%	2.2	\$129.97	\$125.22	3.8%
Upscale	55.8%	55.3%	0.5	\$148.35	\$141.75	4.7%
<b>Total</b>	<b>57.9%</b>	<b>56.6%</b>	<b>1.2</b>	<b>\$126.26</b>	<b>\$120.69</b>	<b>4.6%</b>

### CENTRAL

	Occupancy Percentage			Average Daily Rate		
	2017	2016	**Point Change	2017	2016	Variance
<b>Property Size</b>						
Under 50 rooms	46.8%	44.5%	2.3	\$108.71	\$102.76	5.8%
50-75 rooms	59.2%	56.9%	2.2	\$111.26	\$106.53	4.4%
76-125 rooms	67.0%	64.7%	2.3	\$125.32	\$120.59	3.9%
126-200 rooms	68.5%	64.6%	3.9	\$138.06	\$128.24	7.7%
201-500 rooms	73.1%	69.1%	4.0	\$177.53	\$167.36	6.1%
Over 500 rooms	74.3%	73.9%	0.4	\$192.19	\$182.13	5.5%
<b>Total</b>	<b>68.6%</b>	<b>65.6%</b>	<b>2.9</b>	<b>\$151.61</b>	<b>\$142.91</b>	<b>6.1%</b>
<b>Property Type</b>						
Limited Service	63.4%	60.5%	2.9	\$115.39	\$109.67	5.2%
Full Service	71.7%	69.0%	2.7	\$168.76	\$158.34	6.6%
Suite Hotel	77.0%	74.0%	2.9	\$147.42	\$142.59	3.4%
Resort	44.2%	35.5%	8.7	\$173.28	\$161.68	7.2%
<b>Total</b>	<b>68.6%</b>	<b>65.6%</b>	<b>2.9</b>	<b>\$151.61</b>	<b>\$142.91</b>	<b>6.1%</b>
<b>Price Level</b>						
Budget	58.4%	55.6%	2.8	\$98.43	\$89.79	9.6%
Mid-Price	71.1%	68.6%	2.5	\$147.70	\$141.81	4.1%
Upscale	74.1%	70.5%	3.6	\$229.66	\$220.80	4.0%
<b>Total</b>	<b>68.6%</b>	<b>65.6%</b>	<b>2.9</b>	<b>\$151.61</b>	<b>\$142.91</b>	<b>6.1%</b>

### WESTERN

	Occupancy Percentage			Average Daily Rate		
	2017	2016	**Point Change	2017	2016	Variance
<b>Property Size</b>						
Under 50 rooms	45.7%	41.5%	4.2	\$98.60	\$93.81	5.1%
50-75 rooms	53.0%	49.2%	3.8	\$104.01	\$102.39	1.6%
76-125 rooms	55.6%	52.7%	2.9	\$119.73	\$119.33	0.3%
126-200 rooms	57.4%	57.2%	0.2	\$131.48	\$129.47	1.6%
201-500 rooms	61.8%	59.7%	2.1	\$159.76	\$155.34	2.8%
Over 500 rooms	60.5%	63.2%	-2.7	\$211.84	\$201.79	5.0%
<b>Total</b>	<b>56.9%</b>	<b>54.9%</b>	<b>2.0</b>	<b>\$134.75</b>	<b>\$132.96</b>	<b>1.3%</b>
<b>Property Type</b>						
Limited Service	53.3%	50.0%	3.3	\$109.82	\$109.10	0.7%
Full Service	61.9%	60.3%	1.5	\$146.37	\$143.11	2.3%
Suite Hotel	62.9%	63.6%	-0.7	\$146.13	\$147.06	-0.6%
Resort	43.4%	43.0%	0.4	\$177.22	\$169.80	4.4%
<b>Total</b>	<b>56.9%</b>	<b>54.9%</b>	<b>2.0</b>	<b>\$134.75</b>	<b>\$132.96</b>	<b>1.3%</b>
<b>Price Level</b>						
Budget	50.3%	48.5%	1.8	\$92.97	\$88.43	5.1%
Mid-Price	58.0%	55.5%	2.5	\$127.61	\$126.88	0.6%
Upscale	59.1%	59.6%	-0.5	\$205.49	\$201.08	2.2%
<b>Total</b>	<b>56.9%</b>	<b>54.9%</b>	<b>2.0</b>	<b>\$134.75</b>	<b>\$132.96</b>	<b>1.3%</b>

### CANADA \*

	Occupancy Percentage			Average Daily Rate		
	2017	2016	**Point Change	2017	2016	Variance
<b>Property Size</b>						
Under 50 rooms	46.0%	42.9%	3.1	\$103.44	\$98.22	5.3%
50-75 rooms	55.2%	52.4%	2.9	\$106.93	\$103.49	3.3%
76-125 rooms	60.3%	57.8%	2.5	\$122.13	\$119.55	2.2%
126-200 rooms	62.8%	60.7%	2.1	\$134.59	\$128.56	4.7%
201-500 rooms	67.2%	64.1%	3.1	\$168.83	\$160.72	5.0%
Over 500 rooms	70.8%	71.0%	-0.3	\$196.43	\$186.79	5.2%
<b>Total</b>	<b>62.4%</b>	<b>60.0%</b>	<b>2.4</b>	<b>\$142.82</b>	<b>\$137.15</b>	<b>4.1%</b>
<b>Property Type</b>						
Limited Service	57.8%	54.8%	3.0	\$112.79	\$109.57	2.9%
Full Service	66.5%	64.4%	2.1	\$157.92	\$150.26	5.1%
Suite Hotel	72.1%	70.6%	1.5	\$146.61	\$143.31	2.3%
Resort	43.5%	40.7%	2.9	\$174.91	\$166.95	4.8%
<b>Total</b>	<b>62.4%</b>	<b>60.0%</b>	<b>2.4</b>	<b>\$142.82</b>	<b>\$137.15</b>	<b>4.1%</b>
<b>Price Level</b>						
Budget	54.4%	52.3%	2.1	\$96.56	\$89.43	8.0%
Mid-Price	63.9%	61.4%	2.5	\$137.40	\$133.85	2.7%
Upscale	66.5%	64.7%	1.8	\$217.79	\$210.22	3.6%
<b>Total</b>	<b>62.4%</b>	<b>60.0%</b>	<b>2.4</b>	<b>\$142.82</b>	<b>\$137.15</b>	<b>4.1%</b>

\* Based on the operating results of 245,253 rooms (unweighted data)

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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## REGIONAL REPORT OF ROOMS OPERATIONS BY PROPERTY SIZE, PROPERTY TYPE AND PRICE LEVEL ELEVEN MONTHS ENDED NOVEMBER 2017

### ATLANTIC

### CENTRAL

	Occupancy Percentage			Average Daily Rate		
	2017	2016	**Point Change	2017	2016	Variance
<b>Property Size</b>						
Under 50 rooms	57.5%	57.3%	0.3	\$119.21	\$111.50	6.9%
50-75 rooms	60.2%	57.7%	2.6	\$110.29	\$105.20	4.8%
76-125 rooms	66.5%	63.6%	2.9	\$129.45	\$123.62	4.7%
126-200 rooms	67.8%	65.8%	2.0	\$138.89	\$130.66	6.3%
201-500 rooms	65.8%	63.4%	2.4	\$162.93	\$155.62	4.7%
Over 500 rooms	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>65.5%</b>	<b>63.1%</b>	<b>2.4</b>	<b>\$136.24</b>	<b>\$129.48</b>	<b>5.2%</b>
<b>Property Type</b>						
Limited Service	66.3%	63.8%	2.6	\$124.77	\$119.01	4.8%
Full Service	64.5%	62.8%	1.7	\$141.57	\$134.59	5.2%
Suite Hotel	77.2%	73.8%	3.4	\$156.63	\$144.21	8.6%
Resort	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>65.5%</b>	<b>63.1%</b>	<b>2.4</b>	<b>\$136.24</b>	<b>\$129.48</b>	<b>5.2%</b>
<b>Price Level</b>						
Budget	54.9%	52.1%	2.8	\$104.91	\$99.18	5.8%
Mid-Price	68.1%	65.8%	2.3	\$140.40	\$133.80	4.9%
Upscale	66.9%	63.6%	3.2	\$169.87	\$160.84	5.6%
<b>Total</b>	<b>65.5%</b>	<b>63.1%</b>	<b>2.4</b>	<b>\$136.24</b>	<b>\$129.48</b>	<b>5.2%</b>

	Occupancy Percentage			Average Daily Rate		
	2017	2016	**Point Change	2017	2016	Variance
<b>Property Size</b>						
Under 50 rooms	54.3%	52.5%	1.9	\$119.07	\$113.19	5.2%
50-75 rooms	63.7%	61.6%	2.1	\$116.85	\$112.07	4.3%
76-125 rooms	69.7%	67.3%	2.3	\$128.88	\$124.01	3.9%
126-200 rooms	71.5%	69.4%	2.1	\$141.34	\$131.06	7.8%
201-500 rooms	73.7%	72.1%	1.6	\$186.26	\$174.04	7.0%
Over 500 rooms	76.2%	75.9%	0.3	\$211.87	\$197.41	7.3%
<b>Total</b>	<b>71.0%</b>	<b>69.2%</b>	<b>1.8</b>	<b>\$158.70</b>	<b>\$149.24</b>	<b>6.3%</b>
<b>Property Type</b>						
Limited Service	66.3%	64.1%	2.2	\$117.90	\$111.44	5.8%
Full Service	73.0%	71.7%	1.4	\$176.89	\$164.75	7.4%
Suite Hotel	79.3%	76.9%	2.5	\$158.68	\$152.67	3.9%
Resort	60.8%	57.5%	3.3	\$207.25	\$202.35	2.4%
<b>Total</b>	<b>71.0%</b>	<b>69.2%</b>	<b>1.8</b>	<b>\$158.70</b>	<b>\$149.24</b>	<b>6.3%</b>
<b>Price Level</b>						
Budget	63.6%	60.8%	2.8	\$101.17	\$93.79	7.9%
Mid-Price	73.0%	71.8%	1.2	\$155.14	\$147.13	5.4%
Upscale	75.0%	73.1%	1.9	\$251.78	\$238.95	5.4%
<b>Total</b>	<b>71.0%</b>	<b>69.2%</b>	<b>1.8</b>	<b>\$158.70</b>	<b>\$149.24</b>	<b>6.3%</b>

### WESTERN

### CANADA

	Occupancy Percentage			Average Daily Rate		
	2017	2016	**Point Change	2017	2016	Variance
<b>Property Size</b>						
Under 50 rooms	53.3%	49.3%	4.0	\$108.79	\$105.31	3.3%
50-75 rooms	59.6%	56.8%	2.8	\$121.12	\$119.29	1.5%
76-125 rooms	61.4%	58.9%	2.4	\$133.74	\$131.92	1.4%
126-200 rooms	63.7%	63.0%	0.7	\$144.33	\$140.38	2.8%
201-500 rooms	66.9%	65.9%	1.0	\$183.95	\$174.60	5.4%
Over 500 rooms	74.7%	73.9%	0.8	\$292.30	\$269.17	8.6%
<b>Total</b>	<b>63.2%</b>	<b>61.5%</b>	<b>1.7</b>	<b>\$155.14</b>	<b>\$150.22</b>	<b>3.3%</b>
<b>Property Type</b>						
Limited Service	57.9%	55.2%	2.7	\$118.24	\$116.90	1.2%
Full Service	66.6%	65.2%	1.4	\$163.01	\$156.66	4.1%
Suite Hotel	68.0%	70.4%	-2.4	\$163.85	\$163.43	0.3%
Resort	66.8%	65.6%	1.2	\$253.88	\$234.67	8.2%
<b>Total</b>	<b>63.2%</b>	<b>61.5%</b>	<b>1.7</b>	<b>\$155.14</b>	<b>\$150.22</b>	<b>3.3%</b>
<b>Price Level</b>						
Budget	58.1%	55.4%	2.8	\$107.59	\$100.84	6.7%
Mid-Price	63.0%	61.4%	1.6	\$140.61	\$138.01	1.9%
Upscale	70.0%	69.0%	1.0	\$262.15	\$246.56	6.3%
<b>Total</b>	<b>63.2%</b>	<b>61.5%</b>	<b>1.7</b>	<b>\$155.14</b>	<b>\$150.22</b>	<b>3.3%</b>

	Occupancy Percentage			Average Daily Rate		
	2017	2016	**Point Change	2017	2016	Variance
<b>Property Size</b>						
Under 50 rooms	53.9%	51.0%	3.0	\$113.51	\$108.91	4.2%
50-75 rooms	61.2%	58.6%	2.6	\$118.39	\$115.13	2.8%
76-125 rooms	65.0%	62.6%	2.4	\$131.35	\$127.89	2.7%
126-200 rooms	67.7%	66.2%	1.5	\$142.40	\$134.98	5.5%
201-500 rooms	70.2%	68.8%	1.4	\$184.05	\$173.31	6.2%
Over 500 rooms	75.8%	75.4%	0.4	\$232.26	\$215.58	7.7%
<b>Total</b>	<b>67.0%</b>	<b>65.2%</b>	<b>1.8</b>	<b>\$155.65</b>	<b>\$148.35</b>	<b>4.9%</b>
<b>Property Type</b>						
Limited Service	62.0%	59.5%	2.5	\$118.64	\$114.70	3.4%
Full Service	69.7%	68.3%	1.4	\$169.06	\$159.53	6.0%
Suite Hotel	75.6%	74.8%	0.8	\$160.05	\$155.29	3.1%
Resort	64.5%	62.6%	2.0	\$239.64	\$224.96	6.5%
<b>Total</b>	<b>67.0%</b>	<b>65.2%</b>	<b>1.8</b>	<b>\$155.65</b>	<b>\$148.35</b>	<b>4.9%</b>
<b>Price Level</b>						
Budget	61.0%	58.2%	2.8	\$103.66	\$96.64	7.3%
Mid-Price	67.7%	66.2%	1.5	\$147.31	\$141.88	3.8%
Upscale	72.4%	70.9%	1.6	\$254.65	\$241.06	5.6%
<b>Total</b>	<b>67.0%</b>	<b>65.2%</b>	<b>1.8</b>	<b>\$155.65</b>	<b>\$148.35</b>	<b>4.9%</b>

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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### Q3 2017 CANADIAN CAP RATES

	Vancouver	Calgary	Edmonton	Winnipeg
Downtown Full Service	5.00%-6.25% ▼	7.75%-8.75% ▲	7.75%-8.75% ▲	8.00%-9.00% ▲
Suburban Limited Service	6.50%-7.50% ▲	8.25%-9.25% ▲	9.00%-9.50% ▲	8.50%-9.50% ▲
Focused Service	6.50%-7.50% ▲	8.25%-9.25% ▲	8.50%-9.50% ▲	8.00%-8.75% ▲

	Toronto	Ottawa	Montreal	Halifax
Downtown Full Service	5.00%-6.25% ▼	7.00%-8.00% ▲	7.25%-8.00% ▼	8.00%-9.00% ▲
Suburban Limited Service	7.00%-8.50% ▲	7.75%-8.75% ▲	8.25%-9.00% ▼	8.75%-9.75% ▲
Focused Service	7.00%-8.00% ▲	7.50%-8.50% ▲	8.00%-8.75% ▲	8.25%-9.50% ▲

Hotels in Vancouver are having a banner year and the sale of the Rosewood Georgia at a Canadian high of \$929,500 per room is a clear indication of investor belief in the long-term outlook for growth in this city. A similar story can be told for the Toronto and Montreal markets, where Cap Rates for downtown full-service hotels have also realized modest declines this quarter. Capitalization rates in these key markets now range from as low as 5.00% for Full Service Hotels and 6.50% to 8.50% for Suburban Limited Service and Focused Service Hotels.

With strong competition for quality assets in Vancouver and Toronto, hotel investors are looking at other markets across the country that demonstrate solid underlying fundamentals and stable and diverse economies with runway for growth. Halifax and Montreal for example have both seen elevated interest in recent months, which may result in cap rates compressing in these markets in the latter part of this year. Major markets in Alberta and Saskatchewan are also gaining traction with investors looking to get into these markets under the assumption that cashflows will rise in the next several months. This may also impact cap rates in the major markets in these provinces in the near term.

The outlook for hotel investment is positive in most regions of the country with steady top line growth predicted, a good supply of capital and continued strong investor appetite. At the same time, there is uncertainty ahead with an expected rise in interest rates on the horizon in 2018.

Further insight into Q4 capitalization rates can be obtained from CBRE's Q4 2017 Canadian Cap Rates & Investment Insights report, which is expected to be released in mid-January 2018.

Erin O'Brien, Senior Director  
CBRE Hotels, Toronto



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